UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT
GULF OF MEXICO REGION

ACCIDENT INVESTIGATION REPORT

1. OCCURRED
   DATE: 30-AUG-2012  TIME: 000  HOURS

2. OPERATOR: Dynamic Offshore Resources, LLC
   REPRESENTATIVE: 
   TELEPHONE: 
   CONTRACTOR: Ensco Offshore Co.
   REPRESENTATIVE: 
   TELEPHONE: 

3. OPERATOR/CONTRACTOR REPRESENTATIVE/SUPERVISOR ON SITE AT TIME OF INCIDENT: 

4. LEASE: G03419
   AREA: MP  LATITUDE: 
   BLOCK: 116  LONGITUDE: 

5. PLATFORM: 
   RIG NAME: ENSCO 81

6. ACTIVITY: [ ] EXPLORATION (POE) 
   [X] DEVELOPMENT/PRODUCTION (DOCD/POD) 

7. TYPE:
   [ ] HISTORIC INJURY
     [ ] REQUIRED EVACUATION
     [ ] LTA (1-3 days)
     [ ] LTA (>3 days)
     [ ] RW/JT (1-3 days)
     [ ] RW/JT (>3 days)
     [ ] Other Injury
   [ ] FATALITY
   [ ] POLLUTION
   [ ] FIRE
   [ ] EXPLOSION
   [ ] H2S / 15MIN. / 20PPM
   [ ] REQUIRED MUSTER
   [ ] SHUTDOWN FROM GAS RELEASE
   [X] OTHER Toppled Well

8. CAUSE:
   [X] EQUIPMENT FAILURE
   [X] HUMAN ERROR
   [X] EXTERNAL DAMAGE
   [X] SLIP/TRIP/FALL
   [X] WEATHER RELATED
   [ ] LEAK
   [ ] UPSET H2O TREATING
   [ ] OVERBOARD DRILLING FLUID
   [X] OTHER Hurricane Isaac

9. WATER DEPTH: 58 FT.

10. DISTANCE FROM SHORE: 30 MI.

11. WIND DIRECTION:
    [ ] SPEED: M.P.H.

12. CURRENT DIRECTION:
    [ ] SPEED: M.P.H.

13. SEA STATE: FT.

For Public Release

[ ] STRUCTURAL DAMAGE
[ ] CRANE
[ ] OTHER LIFTING DEVICE
[ ] DAMAGED/DISABLED SAFETY SYS.
[ ] INCIDENT >$25K
[ ] H2S/15MIN./20PPM
[ ] REQUIRED MUSTER
[ ] SHUTDOWN FROM GAS RELEASE
[ ] OTHER

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17. INVESTIGATION FINDINGS:

The Ensco 81 rig is located at MP 116 conducting drilling operations. The well has 30 inch drive pipe set at 368' measured depth (MD) and 20" casing set at a 1000' MD with 200 bbl full cement returns back to the surface, along with a double valve float shoe in the 20". The rig secured the well with a 250' cement plug inside the 20" conductor casing from 693' to 943' MD and placed a dry hole tree above. The rig then cantilevered (skidded) the derrick back over the rig and abandoned in preparation for hurricane Isaac.

After the hurricane passed, an observation flight by the Operator revealed that the well head was not visible above the water. The rig was boarded and a sonar conducted by third party revealed that the subject well was bent over at the mud line and resting on the seafloor beneath the rig. It appears that the well failed at a welding point of the pipe located just above the mud line.

The investigation revealed that it is normal operating procedure to cantilever the rig back in preparation for a hurricane. Furthermore, that securing the well to the rig could possibly cause more damage if the elements of the storm pushed the rig off location. The well could not be secured to the adjacent production platform, due to its location of 45 feet from the facility. The platform did not have another spot available in the well bay for an additional well. The Company Representative could not directly give a reason for the well being located 45 feet from the production facility, but stated that he believes it's due to the objective total depth (TD) and the location of the other well. Also, the investigation revealed that the welding of the drive pipe was not ultrasonic testing (UT) inspected. It is not the Operator's normal policy to UT the welds during the running of the drive pipe. There was a possible design failure of the well, in using 30" drive pipe in lieu of 36".

18. LIST THE PROBABLE CAUSE(S) OF ACCIDENT:

High winds, waves and current from hurricane Isaac toppled the well.

19. LIST THE CONTRIBUTING CAUSE(S) OF ACCIDENT:

Possible insufficient welding.
Possible design failure of the well, in using 30" drive pipe in lieu of 36".

20. LIST THE ADDITIONAL INFORMATION:
21. PROPERTY DAMAGED: Topped Well
   NATURE OF DAMAGE: Hurricane Isaac

ESTIMATED AMOUNT (TOTAL):

22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:
   The BSEE New Orleans District makes no recommendations to the Agency

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: NO

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

25. DATE OF ONSITE INVESTIGATION:
   10–SEP–2012

26. ONSITE TEAM MEMBERS: Justin Josey / John Severson /

   29. ACCIDENT INVESTIGATION PANEL FORMED: NO

   OCS REPORT:

30. DISTRICT SUPERVISOR:
   David J. Trocquet

APPROVED DATE: 07–MAY–2013
<table>
<thead>
<tr>
<th>Operator Representative</th>
<th>Injury</th>
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<tbody>
<tr>
<td>Contractor Representative</td>
<td>Fatality</td>
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<tr>
<td>Other</td>
<td>Witness</td>
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</tbody>
</table>

**Name:**

**Home Address:**

**City:**

**State:**

**Work Phone:**

**Total Offshore Experience:**

**Employed By:**

**Business Address:**

**City:**

**Zip Code:**